

CCNA: ICG PON: 60133

DATE: 01-28-98

TIME: 11:15:35

SPECIAL ACCESS

CIRCUIT DETAIL

NC HCE- NCI 04QA6.31 TLV T R S25 B
 SECNCI 04DU9.SN SECTLV T R NSB CKLT NSL
 HVP NSIM SR TRF MST ATN SSS GETO W NVC
 CFA 103/T3/09/SNDGCA15K33/SNDGCA15W32 CFAU MUXLOC SNDGCA15
 SCFA HBAN N/U
 PRI ADM SEC ADM CLK LMP PSPEED ZLG

LOCATION SECTION

SECLOC ECTS NETWORK OTC SI SPOT
 STREET 8913 COMPLEX DR BLDG MAIN FLOOR SUITE C ROOM COMPUTER
 CITY SAN DIEGO STATE CA ACTEL 619 - 637 - 3600 - 1010
 EUCON BILL BLUE EUTEL 619 - 637 - 3600 - 1010
 ALOC SEE LCON FOR DEMARC AND EXTEND WIRING IF NECESSARY

DMARC :SUITE C COMPUTER ROOM

LCON BILL BLUE ACC

JS N JKCODE RJ48X JKNUM 99 JKPOS 99 PCA REN

CTX TEL CTX LSTD NM

REMARKS

SCREEN OPTION PAGE

CBIS SUMMARY SCREEN

PG 001 OF 01

CFA: 103 T3 09 SNDGCA15K33 SNDGCA15W32 TIRK OK SCB OK

CH 09 TIRKS SPR

IE 12/23/97

CH SCB SPR

TIRKS NCI 04QA631

TIRKS CLO SMC029451001

SCREEN OPTION PAGE

CESAR ASR CONFIRMATION IS
SPECIAL ACCESS REQUESTPAGE 1 OF 1
1ST CI OF 1

CD/TSNT 01 - 30 - 98 - 1100AM RT F

CCNA ICG PON 60134 VER__ INIT BRENDA MOSS

ASR NO ICGA98028112100000 VN 001 ICSC PT02 EC VER 01

ADMINISTRATIVE SECTION

REP SANDY SWANSON TELNO 714 - 687 - 7880 SPA__ TSP__ -__

BAN 372 - 896 - 4400 LSO 619457 PROV INT__ PROJ__

APP 01 - 29 - 98 DLRD 02 - 03 - 98 CDLRD__ -__ -__ DD 02 - 06 - 98

PTD 02 - 05 - 98 EBD__ -__ -__

FNI__ CFNI__ CNO__

REMARKS_____

CIRCUIT DETAIL SECTION

ECCKT 96/HCGS/862010/081/PT

CKR NSR167613

LSO SECLOC 619268

ORD C65791684 REF NUM 0001

CRO_____

SCREEN OPTION__ PAGE__

CCNA: ICG PON: 60134

DATE: 01-28-98

TIME: 11:21:07

ASR ADMINISTRATIVE DATA - 1

CBIS 01/28/98 1121 CFA VALID. DATA EXIST

ADMINISTRATIVE SECTION

ICSC PT02 PON 60134 VER NOR OF ORD NO MORE?
 ASC-EC OEC 1 OEC 2 OEC 3 OEC 4 ASR NO ICGA98028112100000
 D/T SENT 01 - 28 - 98 - 1110PM DDD 02 - 06 - 98 OEC 5 OEC 6
 RTR S CNO
 REQ TYP SD ACT N FDT SUP AFO TO EXP AENG ALBR QA
 CCNA ICG CUST ICG DIALTONE CC AGAUTH DATED
 CKR NSR167613 UNIT C PIU 100
 ECCKT 96/HCGS/862010/081/PT MECHCKT QTY 0000001
 FNI CFNI SPEC PLU QTY
 PPTD - - - PFPTD - - - FBA
 BAN E - - - ACTL SNDGCA15W32 APOT AI TSP
 BIC BIC TEL - - - BIC ID RORD
 RPON CCVN AFG SPA BSA LTP

REMARKS PLEASE INSTALL 1 B8ZS/ESF CIRCUIT. IF WORKED OUTSIDE OF
 NORMAL BUSINESS HOURS CALL 800 738-4835.

ASR STATUS OS VN 001 LAST UPDATE ICGBX MOS D/T ISSUED 01-28-98 11:21
 STATUS RECVD 01-28-98 11:21 COMP DATE - - - SCREEN OPTION PAGE

ADMINISTRATIVE DATA - 2

BILLING SECTION

ACNA ICG TE SCL SAN
 BILLNM INTELCOM GROUP SBILLNM
 STREET 9605 E MAROON CIRCLE FLOOR 1ST ROOM 100
 CITY ENGLEWOOD STATE CO ZIP CODE 80111 -
 BILLCON SCOTT ROBERTSON TEL NO 303 - 572 - 2108 -
 VTA EBP ABC A C D F I L M O U

CONTACT SECTION

INIT BRENDA MOSS TEL NO 303 - 414 - 0252 -
 STREET 8101 E PRENTICE FLOOR 002 ROOM
 CITY ENGLEWOOD STATE CO ZIP CODE 80111 -
 DSG CON BRENDA MOSS DRC FDR TEL NO 303 - 414 - 0252 -
 STREET 8101 E PRENTICE FLOOR 002 ROOM
 CITY ENGLEWOOD STATE CO ZIP CODE 80111 -
 IMP CON DUTY TECH TEL NO 619 - 576 - 1116 -
 MTCE TEL NO - - - -
 D/TREC 01-28-98 11:21

ASSIGNED TO DATE ASSIGNED SCREEN OPTION PAGE

CCNA: ICG PON: 60134

DATE: 01-28-98

TIME: 11:21:07

SPECIAL ACCESS

CIRCUIT DETAIL

NC HCE- NCI 04QA6.31 TLV T R S25 B
 SECNCI 04DU9.SN SECTLV T R NSB CKLT NSL
 HVP NSIM SR TRF MST ATN SSS GETO W NVC
 CFA 103/T3/08/SNDGCA15K33/SNDGCA15W32 CFAU MUXLOC SNDGCA15
 SCFA HBAN N/U
 PRI ADM SEC ADM CLK LMP PSPEED ZLG

LOCATION SECTION

SECLOC ECTS NETWORK OTC SI SPOT
 STREET 8913 COMPLEX DR BLDG MAIN FLOOR SUITE C ROOM COMPUTER
 CITY SAN DIEGO STATE CA ACTEL 619 - 637 - 3600 - 1010
 EUCON BILL BLUE EUTEL 619 - 637 - 3600 - 1010
 ALOC SEE LCON FOR DEMARC AND EXTEND WIRING IF NECESSARY
 DMARC :SUITE C COMPUTER ROOM
 LCON BILL BLUE ACC
 JS N JKCODE RJ48X JKNUM 99 JKPOS 99 PCA REN
 CTX TEL CTX LSTD NM

REMARKS

SCREEN OPTION PAGE

CBIS SUMMARY SCREEN

PG 001 OF 01

CFA: 103 T3 08 SNDGCA15K33 SNDGCA15W32 TIRK
 CH 08 TIRKS SPR
 CH SCB SPR
 TIRKS NCI 04QA631 TIRKS CLO SMC029451001

OK SCB OK
 IE 12/23/97

SCREEN OPTION PAGE

CESAR ASR CONFIRMATION IS PAGE 1 OF 1
SPECIAL ACCESS REQUEST 1ST CI OF 1CD/TSNT 01 - 30 - 98 - 1103AM RT F
CCNA ICG PON 60135 VER__ INIT BRENDA MOSS
ASR NO ICGA98028112515000 VN 001 ICSC PT02 EC VER 01

ADMINISTRATIVE SECTION

REP SANDY SWANSON TELNO 714 - 284 - 2004 SPA__ TSP__
BAN 372 - 896 - 4400 LSO 619457 PROV INT__ PROJ__
APP 01 - 29 - 98 DLRD 02 - 03 - 98 CDLRD__ - - - DD 02 - 06 - 98
PTD 02 - 05 - 98 EBD__ - - -
FNI__ CFNI__ CNO__

REMARKS _____

CIRCUIT DETAIL SECTION

ECCKT 96/HCGS/862010/082/PT
CKR NSR167614
LSO SECLOC 619268ORD C65791691 REF NUM 0001
CRO _____

SCREEN OPTION__ PAGE__

CCNA: ICG PON: 60135

DATE: 01-28-98
TIME: 11:25:19

ASR ADMINISTRATIVE DATA - 1

CBIS 01/28/98 1125 CFA VALID. DATA EXIST

ADMINISTRATIVE SECTION

ORD NO _____ MORE? _____

ASR NO ICGA98028112515000

ICSC PT02 PON 60135

VER _____ NOR _____ OF _____

ASC-EC _____ OEC 1 _____ OEC 2 _____ OEC 3 _____ OEC 4 _____ OEC 5 _____ OEC 6 _____

D/T SENT 01 - 28 - 98 - 1110PM DDD 02 - 06 - 98 PROJECT _____

RTR S CNO

REQTYP SD ACT N FDT _____ SUP _____ AFO _____ TO _____ EXP _____ AENG _____ ALBR _____ OA _____

CCNA ICG CUST ICG DIALTONE CC _____ AGAUTH _____ DATED _____

CKR NSR167614 UNIT C _____ PIU 100

ECCKT 96/HCGS/862010/082/PT MECHCKT QTY 0000001

FNI _____ CFNI _____ SPEC _____ PLU _____ QTY _____

PPTD _____ PFPTD _____ FBA _____

BAN E _____ ACTL SNDGCA15W32 APOT _____ AI _____ TSP _____

BIC _____ BIC TEL _____ BIC ID _____ RORD _____

RPON _____ CCVN _____ AFG _____ SPA _____ BSA _____ LTP _____

REMARKS PLEASE INSTALL 1 B8ZS/ESF CIRCUIT. IF WORKED OUTSIDE OF

NORMAL BUSINESS HOURS CALL 800 738-4835.

ASR STATUS OS VN 001 LAST UPDATE ICGBX MOS D/T ISSUED 01-28-98 11:25
STATUS RECVD 01-28-98 11:25 COMP DATE _____ - _____ - _____ SCREEN OPTION _____ PAGE _____

ADMINISTRATIVE DATA - 2

BILLING SECTION

ACNA ICG TE _____

SCL _____

SAN _____

BILLNM INTELCOM GROUP

SBILLNM _____

STREET 9605 E MAROON CIRCLE

FLOOR 1ST

ROOM 100

CITY ENGLEWOOD

STATE CO

ZIP CODE 80111 - _____

BILLCON SCOTT ROBERTSON

TEL NO 303 - 572 - 2108 - _____

VTA _____ EBP _____

ABC A _____

C _____

D _____

F _____

I _____

L _____

M _____

O _____

U _____

CONTACT SECTION

INIT BRENDA MOSS

TEL NO 303 - 414 - 0252 - _____

STREET 8101 E PRENTICE

FLOOR 002

ROOM _____

CITY ENGLEWOOD

STATE CO

ZIP CODE 80111 - _____

DSG CON BRENDA MOSS

DRC _____

FDRC _____

TEL NO 303 - 414 - 0252 - _____

STREET 8101 E PRENTICE

FLOOR 002

ROOM _____

CITY ENGLEWOOD

STATE CO

ZIP CODE 80111 - _____

IMP CON DUTY TECH

TEL NO 619 - 576 - 1116 - _____

MTCE _____

TEL NO _____ - _____ - _____

D/TREC 01-28-98 11:25

ASSIGNED TO _____ DATE ASSIGNED _____

SCREEN OPTION _____ PAGE _____

CCNA: ICG PON: 60135

DATE: 01-28-98

TIME: 11:25:19

SPECIAL ACCESS

CIRCUIT DETAIL

NC HCE- NCI 04QA6.31 TLV T R S25 B
 SECNCI 04DU9.SN SECTLV T R NSB CKLT NSL
 HVP NSIM SR TRF MST ATN SSS GETO W NVC
 CFA 103/T3/07/SNDGCA15K33/SNDGCA15W32 CFAU MUXLOC SNDGCA15
 SCFA HBAN N/U
 PRI ADM SEC ADM CLK LMP PSPEED ZLG

LOCATION SECTION

SECLOC ECTS NETWORK OTC SI SPOT
 STREET 8913 COMPLEX DR BLDG MAIN FLOOR SUITE C ROOM COMPUTER
 CITY SAN DIEGO STATE CA ACTEL 619 - 637 - 3600 - 1010
 EUCON BILL BLUE EUTEL 619 - 637 - 3600 - 1010
 ALOC SEE LCON FOR DEMARC AND EXTEND WIRING IF NECESSARY
 DMARC :SUITE C COMPUTER ROOM
 LCON BILL BLUE ACC
 JS N JKCODE RJ48X JKNUM 99 JKPOS 99 PCA REN
 CTX TEL CTX LSTD NM

REMARKS

SCREEN OPTION PAGE

CBIS SUMMARY SCREEN

CFA: 103 T3 07 SNDGCA15K33 SNDGCA15W32 TIRK PG 001 OF 01
 CH 07 TIRKS SPR OK SCB OK IE 12/23/97
 CH SCB SPR
 TIRKS NCI 04QA631 TIRKS CLO SMC029451001

SCREEN OPTION PAGE

CESAR ASR CONFIRMATION IS
SPECIAL ACCESS REQUESTPAGE 1 OF 1
1ST CI OF 1

CD/TSENT 01 - 30 - 98 - 1044AM RT F

CCNA ICG PON 60136 VER__ INIT BRAD HACKMAN

ASR NO ICGA98029084717000 VN 001 ICSC PT02 EC VER 01

ADMINISTRATIVE SECTION

REP MAGGIE BUSTAMAN TELNO 714 - 687 - 7876 SPA__ TSP__

BAN 372 - 896 - 4400 LSO 619457 PROV INT__ PROJ__

APP 01 - 29 - 98 DLRD 02 - 03 - 98 CDLRD__ - - - DD 02 - 06 - 98

PTD 02 - 05 - 98 EBD__ - - -

FNI__ CFNI__ CNO__

REMARKS_____

CIRCUIT DETAIL SECTION

ECCKT 96/HCGS/862010/083/PT

ORD C77392219 REF NUM 0001

CKR NSR167615

CRO____

LSO SECLOC 619268

SCREEN OPTION__ PAGE__

CCNA: ICG PON: 60136

DATE: 01-29-98

TIME: 09:04:43

ASR ADMINISTRATIVE DATA - 1

CBIS 01/29/98 0847 CFA VALID. DATA EXIST

ADMINISTRATIVE SECTION

ORD NO MORE?

ICSC PT02 PON 60136 VER NOR OF ASR NO ICGA98029084717000

ASC-EC OEC 1 OEC 2 OEC 3 OEC 4 OEC 5 OEC 6

D/T SENT 01 - 29 - 98 - 0900AM DDD 02 - 06 - 98 PROJECT

RTR S CNO

REQTYP SD ACT N FDT SUP AFO TO EXP AENG ALBR QA

CCNA ICG CUST ICG DIALTONE CC AGAUTH DATED

CKR NSR167615 UNIT C PIU 100

ECCKT 96/HCGS/862010/083/PT MECHCKT QTY 0000001

FNI CFNI SPEC PLU QTY

PPTD PFPTD FBA

BAN 372 - 896 - 4400 ACTL SNDGCA15W32 APOT AI TSP

BIC BIC TEL BIC ID RORD

RPON CCVN AFG SPA BSA LTP

REMARKS PLEASE INSTALL 1 B82S/ESF CIRCUT. IF WORKED OUTSIDE OF
NORMAL BUSINESS HOURS CALL 800 738-4835.

ASR STATUS OS VN 001 LAST UPDATE ICGBXHAC D/T ISSUED 01-29-98 08:47

STATUS RECVD 01-29-98 08:47 COMP DATE - - - SCREEN OPTION PAGE

ADMINISTRATIVE DATA - 2

BILLING SECTION

ACNA ICG TE

SCL

SAN

BILLNM INTELCOM GROUP

SBILLNM

STREET 9605 E MAROON CIRCLE

FLOOR 1ST

ROOM 100

CITY ENGLEWOOD

STATE CO

ZIP CODE 80111

BILLCON SCOTT ROBERTSON

TEL NO 303 - 572 - 2108

VTA EBP

ABC A

C

D

F

I

L

M

O

U

CONTACT SECTION

INIT BRAD HACKMAN

TEL NO 303 - 414 - 4027

STREET 8101 E PRENTICE

FLOOR 002

ROOM

CITY ENGLEWOOD

STATE CO

ZIP CODE 80111

DSG CON BRAD HACKMAN

DRC

FDRC

TEL NO 303 - 414 - 4027

STREET 8101 E PRENTICE

FLOOR 002

ROOM

CITY ENGLEWOOD

STATE CO

ZIP CODE 80111

IMP CON DUTY TECH

TEL NO 619 - 576 - 1116

MTCE

TEL NO

D/TREC 01-29-98 08:47

ASSIGNED TO DATE ASSIGNED

SCREEN OPTION PAGE

CCNA: ICG PON: 60136

DATE: 01-29-98

TIME: 09:04:43

SPECIAL ACCESS

CIRCUIT DETAIL

NC HCE- NCI 04QA6.31 TLV T R S25 B
 SECNCI 04DU9.SN SECTLV T R NSB CKLT NSL
 HVP NSIM SR TRF MST ATN SSS GETO W NVC
 CFA 104/T3/06/SNDGCA15K33/SNDGCA15W32 CFAU MUXLOC SNDGCA15
 SCFA HBAN N/U
 PRI ADM SEC ADM CLK LMP PSPEED ZLG

LOCATION SECTION

SECLOC ECTS NETWORK OTC SI SPOT
 STREET 8913 COMPLEX DR BLDG MAIN FLOOR SUITE C ROOM COMPUTER
 CITY SAN DIEGO STATE CA ACTEL 619 - 637 - 3600 - 1010
 EUCON BILL BLUE EUTEL 619 - 637 - 3600 - 1010
 ALOC SEE LCON FOR DEMARC AND EXTEND WIRING IF NECESSARY
 DMARC :SUITE C COMPUTER ROOM
 LCON BILL BLUE ACC
 JS N JKCODE RJ48X JKNUM 99 JKPOS 99 PCA REN
 CTX TEL CTX LSTD NM

REMARKS

SCREEN OPTION PAGE

MAPS ADDRESS VALIDATION (D5) 0001 0001 PAGE 01 OF 01

REQUEST:

STREET 8913 COMPLEX DR BLDG FLOOR SUITE C ROOM COMP
 CITY SD STATE CA

RESPONSE:

STREET 8913 COMPLEX DR BLDG FLOOR ROOM
 CITY SD STATE CA

EXCO SD LV WIRE CENTER SNDGCA03 LSO 619268 LATA SD (732) ZIP 92123
 AP7 - VERIFY BUILDING/FLOOR/ROOM LOCATION. CHECK FACILITIES.

BUILDING

** BASIC **

FLOOR

** ADDRESS **

ROOM

** ONLY **

SUIT A

SUIT B

THERE IS ADDITIONAL INFORMATION AVAILABLE IN PREMIS. PLEASE CHECK

SCREEN OPTION PAGE

CCNA: ICG PON: 60136

DATE: 01-29-98

TIME: 09:04:43

CBIS SUMMARY SCREEN

PG 001 OF 01

CFA: 104 T3 06
CH 06 TIRKS SPR
CH SCB SPR
TIRKS NCI 04QA631

SNDGCA15K33 SNDGCA15W32 TIRK

OK SCB OK

IE 12/23/97

TIRKS CLO SMC029452001

SCREEN OPTION ____ PAGE ____

Misleading Public Information

- Pacific Bell justifies there is local exchange competition and the markets are fully open when in fact Pacific has over 17 million lines, have lost 251, 790 lines to competition (a mere 1.5% of the total market), yet SBC Communications "fourth-quarter earnings rose 22% as the company added phone lines and wireless customers, and said it had begun to cut costs since its acquisition of San Francisco-based Pacific Telesis Group." Annual line growth at Pacific Bell is estimated at 500,000 lines per year. Thus, the loss to competition isn't even keeping pace with line growth. Obviously, this is not self-sustaining competition.

Documentation: Tab 15 - Newspaper article, "Pacific Bell Wants Into Long Distance In State by August", from the San Francisco Chronicle, Business section, Friday, January 30, 1998.

Documentation: Tab 16 - Newspaper article, "SBC Communications Earnings Climb 22%", from the San Francisco Examiner, Thursday, January 29, 1998.

San Francisco Chronicle

FRIDAY, JANUARY 30, 1998

Pac Bell Wants Into Long Distance In State by August

By Jonathan Marshall
Chronicle Staff Writer

Pacific Bell hopes to convince state and federal regulators to let it start offering long-distance service in California by August, company officials said yesterday.

Under the 1996 Telecommunications Act, the Bell companies must prove that they have opened their local territories to competition before they can enter lucrative long-distance markets.

Bill Blase, Pacific Bell vice president for regulatory affairs, said yesterday that the company will file papers with the California Public Utilities Commission by late March, seeking to prove that its local markets now are fully open. With the PUC's blessing, it then hopes to seek the Federal Communications Commission's approval to sell long-distance service as early as August.

Pacific Bell's parent, SBC Communications, was rebuffed last year by the FCC when it sought approval to offer long-distance service in Oklahoma. But a federal court ruling in December reopened the door to SBC entering that market.

At a press briefing yesterday, Pacific Bell executives claimed that their company has met the legal test to offer long-distance service.

"By any standard, we have opened up our markets and we have competition here in California," said Jim Callaway, regional president for public affairs at Pacific Bell. By entering the long-distance market, he said, Pacific Bell will offer customers lower prices and the convenience of one company for all their service needs.

But critics remain unconvinced. "There really are many roadblocks remaining to competition in California," said Tom Long, an attorney with The Utility Reform Network in San Francisco.

The two biggest obstacles, he said, are Pacific Bell's unreliable computer systems for switching customers to competitors, and the "exorbitantly high" prices that it charges competitors who want to lease elements of its system, such as telephone lines between customer homes and Pacific Bell's

central offices.

But Callaway said 28 competitors actively poached customers from Pacific Bell last year. So deep are their inroads into the lucrative business market that Pacific Bell now carries only 44 percent of business toll calls within its territory, Callaway said.

Tim Harden, a Pacific Bell vice president in charge of the company's wholesale business, said competitors were reselling Pacific Bell's local service on 251,790 lines as of the end of December. Competitors also served another 13,900 lines with their own equipment.

Harden said Pacific Bell had 2,190 people working to facilitate local competition by the end of last year, up from 730 in December 1996. Today, its local service center can handle more than 5,000 orders each day to switch customers, up from 400 in December 1996.

Backlogs and mistakes in processing orders that were commonplace early last year now are rare, Harden said.

Harden said new electronic systems coming in March should give it nearly unlimited capacity to handle customer orders from its competitors.

But Kathi Oram, a spokeswoman for AT&T, said Pacific Bell's order processing still isn't reliable enough. And current prices make it impossible for competitors to make money either reselling Pacific Bell's service or building their own facilities, she said.

"They've been touting how they've lost 250,000 lines, but they have a base of 17 million lines, and they are adding 500,000 lines per year," she said. "So their loss to competition isn't even keeping up with growth. They still have 99 percent of the market. That's hardly competition."

Helen Mickiewicz, a telecommunications attorney at the PUC, said the commission likely would greet Pacific Bell's case with some skepticism.

"Given all the negative comments that the commission has received (from competitors), Pacific Bell will have the burden of proving that it has resolved all of these problems before getting approval from the commission" to get into long-distance, she said.

Misleading Public Information

- Pacific Bell justifies there is local exchange competition and the markets are fully open when in fact Pacific has over 17 million lines, have lost 251, 790 lines to competition (a mere 1.5% of the total market), yet SBC Communications "fourth-quarter earnings rose 22% as the company added phone lines and wireless customers, and said it had begun to cut costs since its acquisition of San Francisco-based Pacific Telesis Group." Annual line growth at Pacific Bell is estimated at 500,000 lines per year. Thus, the loss to competition isn't even keeping pace with line growth. Obviously, this is not self-sustaining competition.

Documentation: Tab 15 - Newspaper article, "Pacific Bell Wants Into Long Distance In State by August", from the San Francisco Chronicle, Business section, Friday, January 30, 1998.

Documentation: Tab 16 - Newspaper article, "SBC Communications Earnings Climb 22%", from the San Francisco Examiner, Thursday, January 29, 1998.

SBC Communications earnings climb 22%

Adds phone lines, cuts costs since PacTel purchase

BLOOMBERG NEWS

SAN ANTONIO — SBC Communications Inc.'s fourth-quarter earnings rose 22 percent as the company added phone lines and wireless customers, and said it had begun to cut costs since its acquisition of San Francisco-based Pacific Telesis Group.

Profit before a charge rose to \$915 million (99 cents a diluted share) from \$747 million (81 cents) a year earlier. Results matched the average estimate from analysts surveyed by IBES International Inc.

Revenue for San Antonio-based SBC rose 6.9 percent to \$6.63 billion from \$6.2 billion.

SBC said it had added 390,000 phone lines in the quarter, a 5 percent increase from a year earlier.

"They are really containing expenses," said Timothy Horan, an analyst at BancAmerica Robertson Stephens, who has a "long-term attractive" recommendation on SBC shares. "If they continue that kind of revenue growth, they will

be able to do 10 percent earnings growth going forward."

SBC acquired Pacific Telesis for \$16.5 billion last April, gaining customers in California and Nevada.

Don Kiernan, chief financial officer of SBC, said Pacific Telesis would add about \$400 million in pretax profit for SBC in 1998. He also said he was comfortable with analysts' earnings estimates of \$4.13 to \$4.14 a share for 1998.

With the Pacific Telesis acquisition, SBC has said it plans to save \$1.2 billion annually by eliminating redundant operations and to boost sales by about \$500 million annually.

"It's evidence the merger synergies are starting to pay off," said Kiernan, who is also senior vice president. "Staffing levels have been coming down in the (local) phone companies for about five months."

SBC will lower its capital spending in 1998 to \$5.5 billion, down 5 percent from \$5.8 billion in 1997, Kiernan said.

In the fourth quarter, revenue from enhanced services such as caller ID and call waiting rose 18 percent.

Analysts said SBC's ability to sell caller-ID was beginning to rub off on PacTel. The number of cus-

tomers who have caller ID in PacTel's markets jumped to over 6 percent from less than 2 percent.

"SBC has had good success in their own area, and now they are beginning to show it in PacTel's area," said Tom Burnett, founder of Merger Insight.

In the 1997 fourth quarter, SBC said a charge of \$327 million (36 cents per diluted share) for merger and local number portability costs, as well as the sale of Bellcore, had resulted in net income of \$588 million (63 cents).

U.S. companies now report earnings per share two ways: diluted, which reflects options, warrants and other securities convertible into common stock, and basic, which doesn't reflect them. SBC's basic earnings per share before charges rose to \$1 from 82 cents.

GTE California

- Proof that things will get worse once an Incumbent Local Exchange Company (ILEC) receives in-region authorization to provide long distance services.

Documentation: Tab 17 - Copies of various electronic mail memorandums documenting the extensive and horrific problems encountered with GTE California resale service provisioning procedures, systems, process, and representatives.

Holdridge, Bruce/Sr Dir Gov Af

From: Tran, Judy/E911-

Sent: Tuesday, August 19, 1997 3:25 PM

To: Dowell, Kelly/PLN-Den; Harris, Kyle /ENG-DEN

Cc: Kohn, Robert/Dial Tone-IRV; Holdridge, Bruce/Sr Dir Gov Af; RICH, BILL/Mkt-Den

Subject: 6th Update - 818 724 San Bernardino Sepulveda

Kyle and Kelly,

San Bernardino Sepulveda warrants further escalation into GTE. Do you have a suggestion for the immediate need?

For the long term need to address this chronic and recurring problem, I am reporting these issues to Bruce Holdridge, the ICG Regulatory representative of California. Bill Rich has asked me to contact Bruce.

I'm revisiting the fundamental problems to include Bruce Holdridge.

Problem #1 - No accountability from GTE

It appears that GTE does not want to help us. I contacted Mark Roscke of GTE yesterday (8/18) and today (8/19) again to ask for Design Layout Report. Mark left a voice mail to say that he does not perform the circuit design layout report and does not offer another contact name and number. I asked him to provide the names and phone numbers of the GTE representatives responsible for DLRs if he does not want to expedite our requests.

Problem #2 - No consistent ASR requirements within GTE

On my 5th update, I mentioned that Mark Roscke rejected our NSRs trunk orders because of the CLLI and NC codes. In fact, Anna Davis did submit these CLLI and NC on the original order two months ago, but the GTE ICSC office rejected it. Anna changed it per GTE ICSC request, and now GTE Mark Roscke is rejecting it again. Additionally, the 2nd rejection happens over a month later. Anna Davis now has reissued the supplemental orders to meet Mark's request. As you can see, even GTE internally disagrees among their departments.

Problem #3 - The cycle time to process an order is unknown and unreasonable

We currently have a stack of trunk orders ranging from 1 to two months old which have passed due dates. Regrettably, GTE does not provide feedback on where the holdup occurs. Consequently, incessant phone calls are required to find out the status. Furthermore, in most cases, our phone calls are not returned. If you want to know specific dates, please contact Anna Davis for your documentation. Anna may be reached at (303) 575-6577.

In summary, we have not seen any progress despite our immediate reissuance of supplemental orders to meet GTE's request. In fact, we've been ready and willing to change our orders twice for GTE.

I'd be willing to try any other avenues you suggest. Should you have additional questions, please call me at (303) 626-3485 or page me at 800-908-8557.

Judy Tran

Holdridge, Bruce

From: KramerA [KramerA@dsmo.com]
ent: Wednesday, December 17, 1997 1:12 PM
To: Holdridge, Bruce
Subject: RE: FW: Colle Systems Contract # 119306

I got your first message about GTE. I have not yet had a chance to

look at the other messages, but in answer to your question, GTE is definitely in play and if you have stuff on GTE, I can use it.

Reply Separator

Subject: FW: Colle Systems Contract # 119306
Author: Holdridge, Bruce [SMTP:bruce_holdridge@icgcomm.com] at DSMO
Date: 12/17/97 12:37 PM

Al, this is a test message as well as documentation that ICG is having coordination problems with GTE of California. Maybe you could use some of the GTE of CA issues to demonstrate to the FCC something along the lines of this: "see what happens after these ILEC's get LD authority - they still go out of their way to deliver poor quality service in order to make the CLEC's look bad, preserve monopoly market share, and stall competition." Just a thought. Bruce

> -----Original Message-----

> **From:** Odenthal, Laura/SLS-SAC
> **Sent:** Tuesday, December 16, 1997 1:11 PM
> **To:** Holdridge, Bruce
> **Subject:** FW: Colle Systems Contract # 119306
>
> Bruce,
>
> This is NOT ACCEPTABLE. This is routine information and we should NOT
>
> be calling our customers to get this information! We were able to get

> this info. But it did require third level intervention!!!!

>
> Keep this in your file!

>
> Laura O.

> -----
> **From:** Hollak, Joe/LSC-SAC
> **Sent:** Tuesday, December 16, 1997 1:17 PM
> **To:** Odenthal, Laura/SLS-SAC
> **Subject:** Re: Colle Systems Contract # 119306

>
>
>
> Laura

>
> Well lady here we go again with the GTE people at the NOMC on the
> above order. It is a 24 line order and it has 10 lines in a hunt
> group per their CSR. Well, called the manager Deb Ford and asked her
> if she could provide the hunt group to ICG and her comment was that we

should call the end user. Don't really think that we should bother
> our customer to find out information about what GTE should provide
> for us. This is just info for you and you may place it in a folder
> for further use. I escalated to Maryanne and she went to the third
> level at the NOMC no word from them (GTE) as of yet.
>

>
> Thanks
> Joe Hollak.....916-362-9849

Holdridge, Bruce

From: KramerA [KramerA@dsmo.com]
ent: Monday, January 26, 1998 7:10 PM
To: Holdridge, Bruce
Subject: FW: Colle Systems Contract # 119306



Forward.txt

Al, this is a test message as well as documentation that ICG is having coordination problems with GTE of California. Maybe you could use some of the GTE of CA issues to demonstrate to the FCC something along the lines of this: "see what happens after these ILEC's get LD authority - they still go out of their way to deliver poor quality service in order to make the CLEC's look bad, preserve monopoly market share, and stall competition." Just a thought. Bruce

> -----Original Message-----

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> Subject: Re: Colle Systems Contract # 119306

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